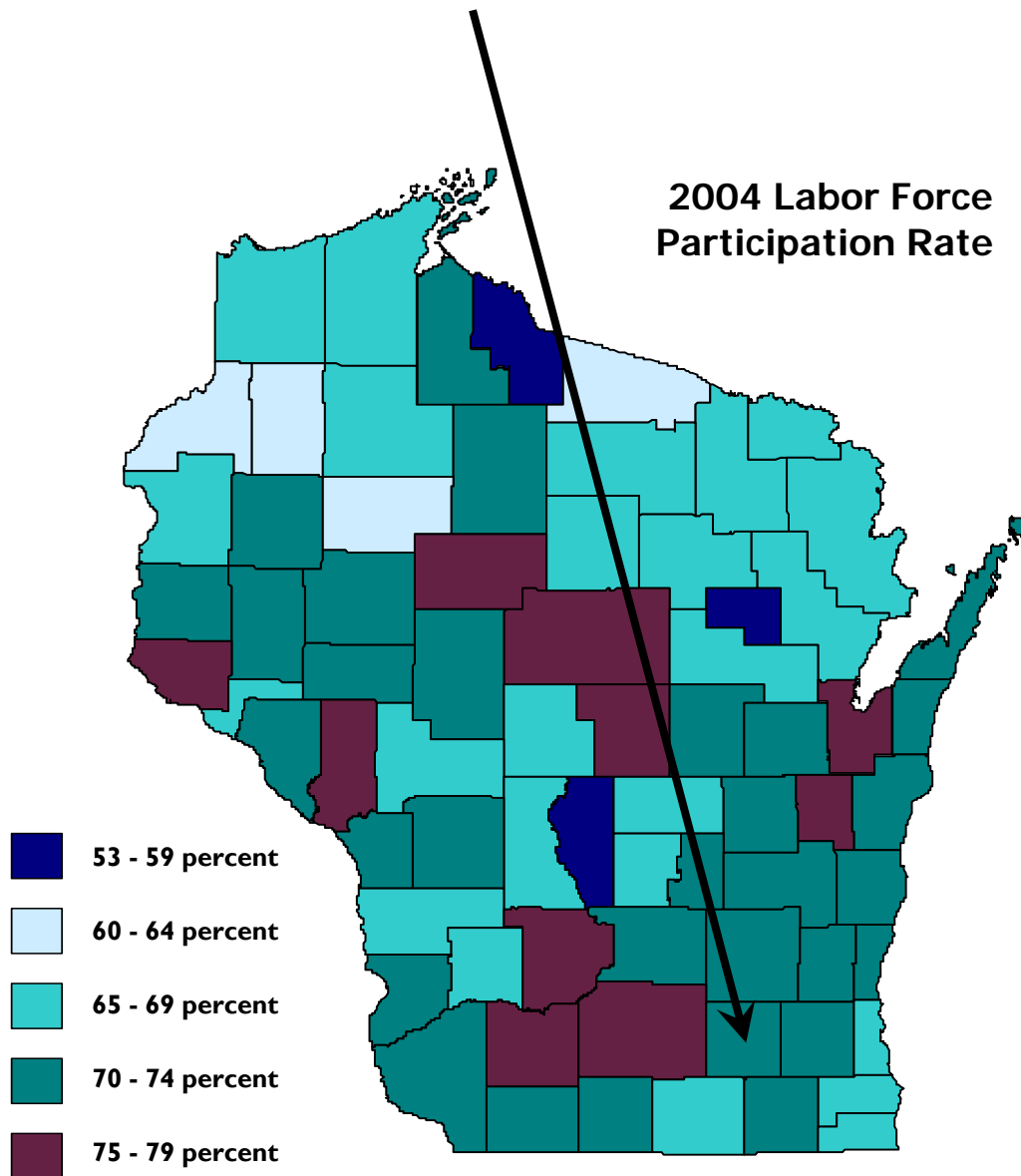


Jefferson County Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

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State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

December 2005

OEA-10620-P

County Population and Labor Force

Population trends affect the supply of workers, the willingness of employers to open, expand or continue local operations and the demand for goods and services. Between 2000 and 2005 Jefferson County's population grew by 3,421 people or 4.5 percent. This reflects population growth squarely between the nation's rate (4.9%) and the state's (4.0%). In 2005, the Jefferson County portion of the City of Watertown, Fort Atkinson and Ixonia had 29,725 residents, or 37.5 percent of the county's total population. In five years, these municipalities gained 1,667 people, or 48.7 percent of the county's total population gain.

Between 2000 and 2005, the county experienced 4,572 births and 2,802 deaths. This net natural change of 1,770 people was 51.7 percent of Jefferson County's total population growth. Demographers with the Wisconsin Department of Administration project that Jefferson County will continue to enjoy increasing natural change (births minus deaths) through 2020. At the same time, they project considerable slowing in net migration (people moving in minus people moving out). Birth and death trends generally follow predictable patterns, but net migration patterns shift more quickly and less regularly, so Jefferson County's population growth may rest on a firmer base than counties that rely more heavily on net migration.

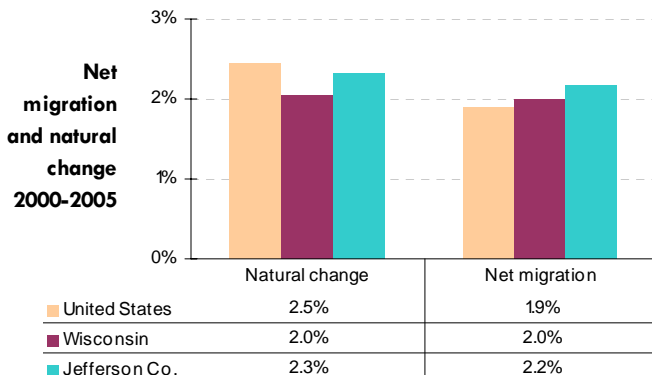
The table to the right shows that Jefferson County's labor force participation rate (70.1%) is closer to the statewide rate

Five largest municipalities in Jefferson County

	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Jefferson County	75,767	79,188	3,421	4.5%
Watertown, City*	13,535	14,373	838	6.2%
Fort Atkinson, City	11,621	12,046	425	3.7%
Jefferson, City	7,208	7,541	333	4.6%
Lake Mills, City	4,843	5,137	294	6.1%
Koshkonong, Town	3,395	3,548	153	4.5%

*Jefferson County portion only

Source: Wis. Dept. of Administration, Demographic Services, August 2005



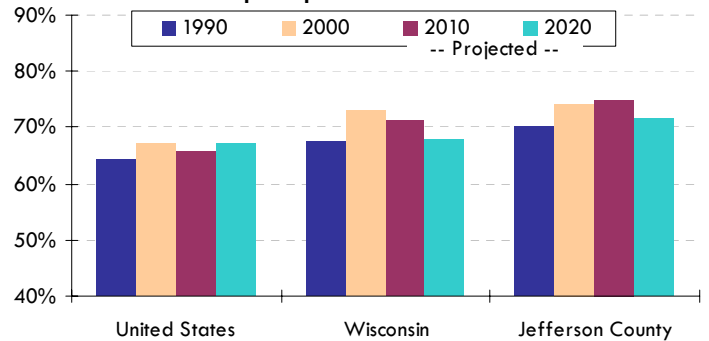
Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Population and Labor Force

	United States	Wisconsin	Jefferson County
Total population in 2000	281,424,602	5,363,715	75,767
Population est. Jan. 1, 2005	295,160,302	5,580,757	79,188
Change	13,735,700	217,042	3,421
% change	4.9%	4.0%	4.5%
2005 Labor force population*	224,837,000	4,339,938	62,421
Share of total population	76.2%	78%	78.8%
Labor force	147,125,000	3,071,179	43,788
Labor force participation rate	65.4%	70.8%	70.1%
2005 Population 16 yrs. & over	228,621,674	4,417,313	63,198
16-24 yrs old	37,489,370	743,764	11,545
Share of population 16+ yrs	16.4%	16.8%	18.3%
25-59 yrs old	142,248,896	2,708,865	38,377
Share of population 16+ yrs	62.2%	61.3%	60.7%
60 yrs and older	48,883,408	964,684	13,277
Share of population 16+ yrs	21.4%	21.8%	21.0%
Projected population: 2020	335,804,546	6,110,878	88,302
Population 16 yrs. & over	264,085,104	4,869,573	70,191
16-24 yrs old	37,918,865	681,586	9,759
Share of population 16+ yrs	14.4%	14.0%	13.9%
25-59 yrs old	150,678,402	2,756,884	41,111
Share of population 16+ yrs	57.1%	56.6%	58.6%
60 yrs and older	75,487,837	1,431,103	19,321
Share of population 16+ yrs	28.6%	29.4%	27.5%

* civilian population 16 yrs. and older not in an institution

Percent of labor force age population that participates in labor force



Source: special tabulation by OEA using US Census, US Bureau of Labor Statistics, WI Dept. of Admin. estimates and projections

(70.8%) than the national rate (65.4%). Labor force participation rates drop substantially as workers approach 60 years old and continue to drop as they age. The table above indicates that the 60-and-over cohort will become an increasing share of the 16-and-over population. Together these trends may restrain labor force growth or reverse it.

Revised Labor Force

All labor force estimates published from 1990 to 2004 have been revised. The more recent years reflect trends revealed during Census 2000, while the 1990s estimates were updated to include changes from 1990 to 2000, but are still based on ratios from the 1990 census.

The annual averages in the table to the right hide seasonal fluctuations. In 2004, Jefferson County's unemployment rate peaked at 6.2 percent in February and dipped to 3.9 percent in October. The labor force estimate peaked at nearly 45,100 in June and dipped almost to 43,000 in October.

Unemployment rates from the first half of the current decade reaffirm that unemployment rates are a lagging indicator of economic recovery. By the time unemployment rates peak, other economic indicators have been in more encouraging territory for a while. In Jefferson County, as in the nation, the 2003 unemployment rate represents a recent peak. Post-recession labor force growth has not been particularly robust either: the labor force remains less than one percent above its level from the year 2000.

Jefferson County Civilian Labor Force Estimates

	Labor force	Employed	Unemployed	Unemployed rate
1990	37,731	36,276	1,455	3.9%
1991	38,241	36,173	2,068	5.4%
1992	38,103	36,150	1,953	5.1%
1993	39,261	37,480	1,781	4.5%
1994	40,799	39,205	1,594	3.9%
1995	41,543	40,198	1,345	3.2%
1996	42,199	41,056	1,143	2.7%
1997	42,357	41,134	1,223	2.9%
1998	42,118	40,995	1,123	2.7%
1999	42,486	41,456	1,030	2.4%
2000	43,357	42,135	1,222	2.8%
2001	43,340	41,658	1,682	3.9%
2002	42,769	40,761	2,008	4.7%
2003	43,515	41,333	2,182	5.0%
2004	43,788	41,658	2,130	4.9%

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

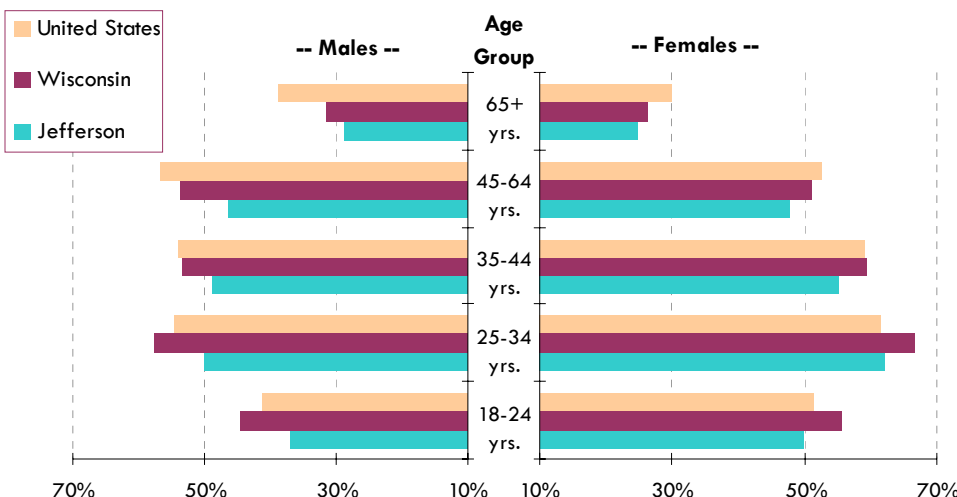
The graph below shows a shift from older generations, where females have less post-secondary education than males to younger generations where females have more education. As the economy shifted from male-dominated goods-producing industries to less dominated service-providing industries, social attitudes and employment laws changed to make education more economically valuable for females.

Comparing several generational cohorts, Jefferson County's residents are less likely to report having bachelors degrees and graduate or professional degrees. These gaps do not seem to narrow appreciably over time.

Attainment of associate degrees present a starkly different picture. Jefferson County's 65-and-older residents are quite a bit less likely than their national counterparts to report having an associate degree. The county's 45-64 cohort is somewhat more likely to report associate degrees than its national counterpart. Jefferson County's lead is even wider among residents aged 35-44 and reaches its peak amongst residents aged 25-34, where 10.6 percent of county residents report associate degrees compared to 7.5 of U.S. residents.

This trend is at least partially attributable to manufacturing workers facing increasingly technical jobs, occasional economic slowdowns and employers who seek more pre-employment training and do less on-the-job training than in generations past.

Residents with post-secondary education



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

Educational attainment levels may be as much a product of employment and wage structure as a cause. Overall, Jefferson County establishments pay roughly 85 of the statewide all-industries average wage. In 2004, the manufacturing sector provided 9,801 jobs (28.5 percent of all employment in Jefferson County) and paid \$381.8 million in wages (37.7 percent of total reported payroll for Jefferson County establishments). Despite a labor dispute, food manufacturing remained the largest segment of the manufacturing sector in 2004 with average employment of 2,207 (an increase of 209 jobs or 10.5 percent from 2003) and average annual wages of \$36,923 (up \$784 or 2.2 percent from 2003). The next largest segments, metal fabrication and transportation equipment manufacturing experienced modest employment gains between 2003 and 2004. Average wages in the former rose \$1,064 or 2.6 percent, while they rose \$4,412 or 12.5 percent in the latter.

Among the 7,418 trade, transportation & utilities jobs, there were 4,333 retail trade jobs (average wage: \$20,156), 1,631 wholesale trade jobs (\$32,504) and 1,279 transportation & warehousing jobs (\$32,308) and 176 utilities jobs (\$56,038). Just as nonstore retailers reported 480 fewer jobs and nearly

Average Annual Wage by Industry Division in 2004

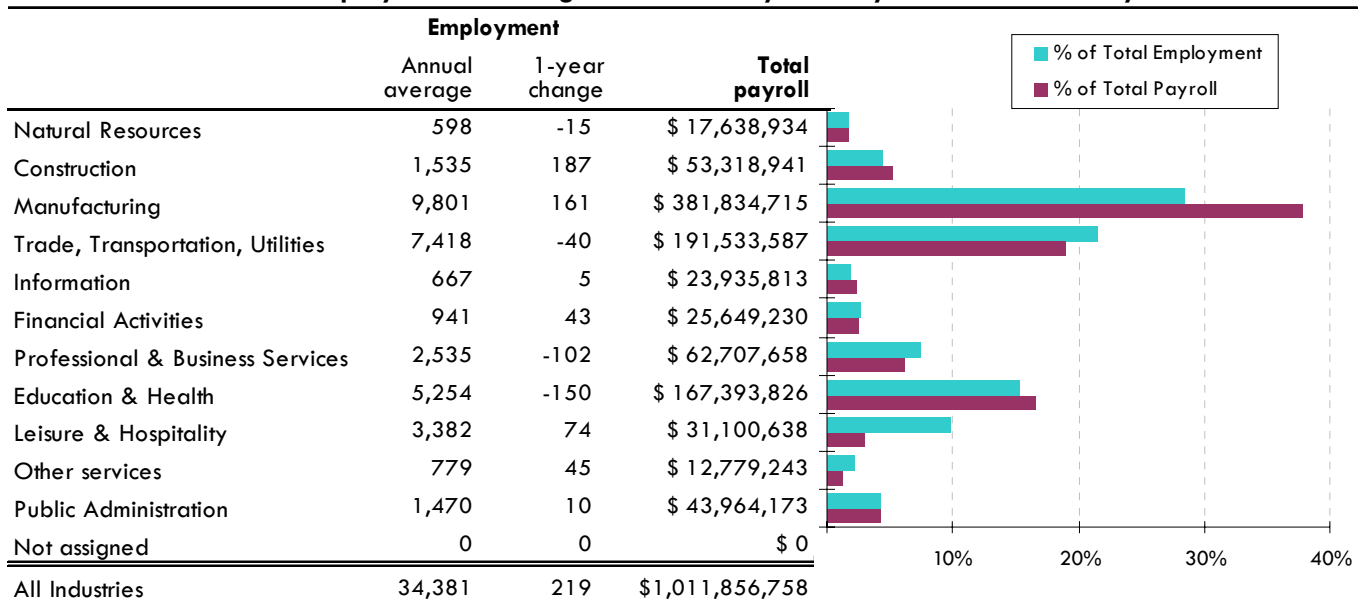
	2004	2004		
	Average Annual Wage	Average Annual Wage	Percent of	1-year
	Wisconsin	Jefferson County	Wisconsin	% change
All Industries	\$ 34,749	\$ 29,431	84.7%	5.5%
Natural resources	\$ 27,399	\$ 29,497	107.7%	9.4%
Construction	\$ 41,258	\$ 34,735	84.2%	4.2%
Manufacturing	\$ 44,145	\$ 38,959	88.3%	6.5%
Trade, Transportation, Utilities	\$ 30,088	\$ 25,820	85.8%	3.3%
Information	\$ 41,759	\$ 35,886	85.9%	7.1%
Financial activities	\$ 45,103	\$ 27,257	60.4%	3.1%
Professional & Business Services	\$ 39,580	\$ 24,737	62.5%	9.0%
Education & Health	\$ 36,408	\$ 31,860	87.5%	6.1%
Leisure & Hospitality	\$ 12,295	\$ 9,196	74.8%	4.4%
Other services	\$ 20,207	\$ 16,405	81.2%	1.3%
Public Administration	\$ 36,347	\$ 29,908	82.3%	-0.4%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

\$12.6 million less in total wages, durable goods merchant wholesalers reported 466 more jobs and \$13.8 million more in total wages. If an employer changed reporting categories and kept jobs largely the same, the data might reflect changes very similar to these.

At \$9,196, Jefferson County's leisure & hospitality average wage is over 25 percent below Wisconsin's leisure & hospitality wage and it is lower than any other sector's wage. The 2,336 jobs in the food services & drinking places segment paid an average of \$8,123.

2004 employment and wage distribution by industry in Jefferson County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2005

Industry and Employers by Size

Top 10 Employers in Jefferson County

Establishment	Product or Service	Size (Dec. 2004)
Trek Bicycle Corporation	Motorcycle, bicycle, & parts mfg.	500-999 employees
County of Jefferson	Executive & legislative offices, combined	500-999 employees
Fort Healthcare Inc	Gen. medical & surgical hospitals	500-999 employees
Bethesda Lutheran Homes & Services	Services for the elderly & disabled	500-999 employees
Briggs & Stratton Power Products	Motor & generator mfg.	500-999 employees
Watertown Unified School District	Elementary & secondary schools	500-999 employees
Wal-Mart Associates Inc	Discount department stores	500-999 employees
Aristotle Corp	All other plastics product mfg.	250-499 employees
Terra Staffing Services Inc	Professional employer organizations	250-499 employees
Fort Atkinson Public School	Elementary & secondary schools	250-499 employees

Source: DWD, Bureau of Workforce Information, ES-202, July 2005

Prominent industries in Jefferson County

NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Educational services	14	2,263	-48	119
Food services and drinking places	137	2,229	-37	86
Food manufacturing	22	2,196	7	-241
Administrative and support services	68	1,737	50	539
Nursing and residential care facilities	20	1,504	-124	-168
Electrical equipment and appliances	4	1,409	not avail.	not avail.
Fabricated metal product manufacturing	27	1,327	-4	-159
Executive, legislative, & gen government	23	1,185	22	-1
Machinery manufacturing	24	1,058	78	-324
Specialty trade contractors	160	1,038	28	191

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Jefferson County establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

Some industries provide goods or services primarily for local consumption. Local income and demographic trends drive revenues for nursing and residential care, government and specialty trade contractors. Locally and statewide, the next 20 years will see larger and faster growth in the cohorts between the ages of 55 and 79 than school-aged cohorts (roughly ages 5-24). Healthcare establishments may show more employment growth potential than education establishments.

Other industries sell their goods and services to people from outside Jefferson, thereby bringing in outside money. Machinery manufacturing employment has declined in recent years, which is to be expected in a segment whose sales rely heavily on customers being in capacity-expansion mode. Nonetheless, the average annual wage (\$41,640) remained high.

The far-left graph shows large numbers of Jefferson County establishments with few employees and small numbers of establishments with many employees. The graph to the immediate left shows a relatively even distribution of employment in mid-sized establishments with somewhat less in very large and very small establishments.

Per Capita Personal Income

While page 3 discussed wages paid by Jefferson County employers, this section focuses on income received by Jefferson County residents, including income from work outside the county, investment/pension income and government transfer payments such as Social Security or other income support programs. The table below shows that Jefferson County's 2003 Per Capita Personal Income (PCPI) of \$29,330 was 18th highest among Wisconsin's 72 counties and its 5-year PCPI growth rate of 16.5 percent ranked 35th.

From 1996 to 1999, Jefferson County's PCPI was still lower than Wisconsin's, but was growing faster and was on track to surpass the statewide PCPI in a few years. From 2001 to 2003, Jefferson County's PCPI growth has been slower than Wisconsin's, so the gap widened again.

Tax records generate detailed income estimates, which suggest that Jefferson County's residents earn roughly \$258 million more from employers in other counties than residents of other counties earn from Jefferson County employers.

Workers in search of higher wages and more numerous jobs in professional and technical occupations need not look any farther than Dane County to the west or the Milwaukee-Waukesha area to the east. The interstate connecting these areas bisects Jefferson County and two prominent cities (Watertown and Whitewater) straddle county borders. Hence it is unsurprising that the 2000 Census reported that 39.5 percent of Jefferson County's working residents left the county for work (primarily for Waukesha and Dane counties)

and 32.2 percent of jobs in Jefferson County were filled by residents of other counties (primarily Dodge, Dane and Waukesha). Generally, Waukesha and Dane counties have unemployment rates well below Jefferson County's, but various factors, from lifestyle preferences to housing costs encourage some workers to choose the commute over relocation.

Wisconsin Counties 2003 Per Capita Personal Income and Rank in State

Area	2003	Rank	5-yr growth	Rank	Area	2003	Rank	5-yr growth	Rank
United States	\$ 31,472		17.1%		Manitowoc	\$ 27,807	27	13.6%	59
Wisconsin	\$ 30,685		17.2%		Marathon	\$ 29,992	16	22.0%	5
Adams	\$ 22,804	59	16.1%	37	Marinette	\$ 25,448	39	21.3%	9
Ashland	\$ 23,204	55	16.6%	32	Marquette	\$ 22,590	64	26.5%	1
Barron	\$ 24,922	41	15.2%	44	Menominee	\$ 18,449	72	19.8%	16
Bayfield	\$ 22,660	62	13.4%	60	Milwaukee	\$ 31,419	7	19.5%	18
Brown	\$ 32,076	5	17.8%	25	Monroe	\$ 23,467	54	16.8%	31
Buffalo	\$ 29,083	20	17.2%	28	Oconto	\$ 24,842	42	12.3%	66
Burnett	\$ 22,796	60	17.1%	29	Oneida	\$ 28,646	22	18.7%	21
Calumet	\$ 31,880	6	21.4%	8	Outagamie	\$ 30,952	11	20.5%	14
Chippewa	\$ 25,999	36	12.3%	67	Ozaukee	\$ 47,527	1	14.7%	48
Clark	\$ 22,227	66	13.9%	55	Pepin	\$ 24,407	44	13.0%	64
Columbia	\$ 30,846	12	18.2%	24	Pierce	\$ 27,963	26	18.6%	23
Crawford	\$ 22,628	63	20.9%	13	Polk	\$ 24,201	46	13.9%	54
Dane	\$ 36,455	3	21.0%	12	Portage	\$ 27,464	30	21.1%	11
Dodge	\$ 26,048	35	13.3%	61	Price	\$ 24,361	45	12.2%	68
Door	\$ 30,657	13	15.9%	40	Racine	\$ 31,271	8	15.0%	45
Douglas	\$ 23,568	53	15.3%	43	Richland	\$ 23,829	51	21.9%	6
Dunn	\$ 22,885	58	14.9%	47	Rock	\$ 28,256	25	14.1%	50
Eau Claire	\$ 27,469	29	17.5%	27	Rusk	\$ 20,461	71	14.0%	52
Florence	\$ 24,146	47	25.3%	3	Sauk	\$ 28,780	21	19.5%	19
Fond du Lac	\$ 29,951	17	16.1%	38	Sawyer	\$ 23,921	50	22.3%	4
Forest	\$ 21,975	68	25.4%	2	Shawano	\$ 23,941	49	13.9%	56
Grant	\$ 24,116	48	15.6%	42	Sheboygan	\$ 31,251	9	19.8%	17
Green	\$ 28,542	23	14.0%	51	St. Croix	\$ 31,091	10	13.6%	57
Green Lake	\$ 26,962	32	8.1%	72	Taylor	\$ 23,020	56	16.6%	34
Iowa	\$ 27,308	31	19.2%	20	Trempealeau	\$ 25,242	40	18.7%	22
Iron	\$ 22,912	57	21.1%	10	Vernon	\$ 20,950	70	15.7%	41
Jackson	\$ 26,084	34	21.9%	7	Vilas	\$ 25,664	37	13.0%	63
Jefferson	\$ 29,330	18	16.5%	35	Walworth	\$ 27,626	28	13.6%	58
Juneau	\$ 22,382	65	12.7%	65	Washburn	\$ 22,794	61	16.0%	39
Kenosha	\$ 29,117	19	16.5%	36	Washington	\$ 35,196	4	14.9%	46
Kewaunee	\$ 25,536	38	8.8%	71	Waukesha	\$ 41,551	2	12.2%	69
La Crosse	\$ 28,284	24	16.8%	30	Waupaca	\$ 26,863	33	14.0%	53
Lafayette	\$ 21,983	67	10.1%	70	Waushara	\$ 21,762	69	13.2%	62
Langlade	\$ 23,739	52	20.4%	15	Winnebago	\$ 30,359	15	16.6%	33
Lincoln	\$ 24,725	43	14.6%	49	Wood	\$ 30,401	14	17.7%	26

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005